August 16, 2006

National Provider ID (NPI) Notification Alert for Organizational Providers

On May 23, 2007, Alabama Medicaid providers will join other health care providers in the United States in using a federally-required National Provider Identifier (NPI) number on all claims transactions. Use of the NPI is mandated by the Health Insurance Portability and Accountability Act (HIPAA) and will also be needed to process claims on interChange, Alabama Medicaid's new claims processing system, after the NPI compliance date.

To ensure that claims are processed correctly on the new system, providers are asked to obtain all NPI number(s) needed and provide this information to EDS as soon as possible, but no later than **April 01, 2007**. Below is more information on the NPI and steps all Alabama Medicaid providers need to take to ensure that their claims can be processed when the new system begins.

Questions You May Have About Alabama Medicaid's Implementation of the NPI:

What is a National Provider Identifier (NPI)?
The National Provider Identifier (NPI) is designed to uniquely identify a health care provider in standard transactions, such as health care claims. It uses all numeric characters and is 10 positions in length. The first nine positions are the identifier and the last position is a check digit which is used to detect invalid NPIs.

Why do we need a National Provider Identifier (NPI)?
The Health Insurance Portability and Accountability Act (HIPAA) requires that covered entities (e.g. health plans, health care clearinghouses, and those health care providers who transmit any health information in electronic form in connection with a transaction for which the Secretary of Health and Human Services (HHS) has adopted a standard) use NPIs in standard transactions by the compliance date of May 23, 2007.

How do I apply for a National Provider Identification (NPI) number?
There are two ways to apply for a NPI number from Fox System, Inc., the contractor responsible for issuing NPI numbers: online or regular postal mail.

For the most efficient and fastest receipt of your NPI, the online method is recommended. To apply online, go to https://nppes.cms.hhs.gov.

To apply by mail, print the request form from https://nppes.cms.hhs.gov and send the completed application to:
> **NPI Enumerator**
> **P.O. Box 6059**
> **Fargo, ND 58108-6059**

Because of the volume of requests expected, **providers are encouraged to apply early and allow time to receive the number** from the enumerator.

How many numbers do I need to request?
To ensure that reimbursement is not affected by this change, providers are strongly encouraged to apply for NPI number(s) based on how their organization or practice is currently enrolled in the Alabama Medicaid program. In most cases, providers should, if allowed by NPI regulations, obtain a NPI for each provider number they currently have. Large or complex organizations may want to contact their EDS Provider Representative for assistance before requesting numbers.

Note: All providers requesting a NPI number must also request at least one taxonomy code. Provider taxonomy codes are an administrative code set identifying a provider type and area of specialization for all health care providers. A given provider may have up to five taxonomy codes, depending on their specialty areas. Any taxonomy codes received should be provided to EDS along with the NPI number.

What do I do once I receive my NPI number(s)?
Once the NPI number and any taxonomy codes are received, they should be submitted to EDS using the enclosed NPI Notification Form. EDS is now ready to receive this information.

You will need to send 1) The completed NPI Notification Form, and 2) a copy of the NPI notification letter received from the enumerator to EDS. The documents can be mailed to the address on the form or faxed to the number indicated on the form. A copy of the Notification Form is also available on the Alabama Medicaid website at www.medicaid.alabama.gov under *Billing/Forms/Provider Enrollment Forms.*

Note: Providers will continue to submit claims with their current Alabama Medicaid-issued provider numbers until the new system to accommodate NPI numbers is implemented on May 23, 2007.

What if I have other questions about NPI?
If you have questions regarding how to fill out the NPI Notification Form, contact your Provider Representative at 1-800-688-7989 (within Alabama) or (334) 215-0111 (outside Alabama).